

## Exhibit A (part III)

**Greystone Business Credit II LLC**

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**Exhibit B**

**RESTRUCTURING PLAN**

**See Attached**

## GBMI Forecast 2007

	2002	2006P	2007F	change 06/07
Revenue	\$123.8	\$109.0	\$126.6	\$17.6
Cost Of Sales*	78.0	88.4	90.4	2.0
Gross Profit	45.8	20.6	36.2	15.6
GM %	37%	19%	29%	10%
OPEX				
Compensation	16.9	22.2	19.0	(3.2)
Rent	1.1	4.6	3.7	(0.9)
Tradeshows/Conferences	2.3	0.9	1.0	0.1
Domestic Samples	0.0	0.5	1.0	0.5
Advertising	0.8	0.3	0.5	0.2
Meals, Travel, Lodging	1.5	2.0	1.7	(0.3)
Bank/Factor Fees	1.0	0.8	0.9	0.1
Other	2.3	5.4	3.4	(2.0)
OPEX Total	25.9	36.7	31.2	(5.5)
Retail	0.0	3.0	3.6	0.6
Opex Total less Retail	25.9	33.7	27.6	(6.1)
EBITDA	\$19.9	(\$16.1)	\$5.0	\$21.1
Additional expense cuts planned				
India Office Closing			(0.4)	(0.4) In process complete by 12/31/06
Relocate from Hollister facility			(0.4)	(0.4) In process complete by 12/31/06
Additional IT expenses			(0.4)	(0.4) TBD to be done by 12/31/06
Eliminate unprofitable Kids store			(0.2)	(0.2) In process complete by 12/31/06
Lower compensation and related expenses			(2.1)	(2.1) TBD to be done by 12/31/06
Total additional expense cuts targeted.	0.0	0.0	(3.5)	(3.5)
Adjusted OPEX Total	25.9	36.7	27.7	(9.0)
Adjusted EBITDA	\$19.9	(\$16.1)	\$8.5	\$24.6

\*Cost Of Sales includes Royalty

## GBMI Forecast 2007

	Monthly	Annual	
Lexington Building Co., LLC	\$ 57,653.00	\$ 691,836.00	11th floor
La Patena Investors	\$ 27,488.46	\$ 329,861.76	Samples Warehouse
	\$ (23,043.00)	\$ (276,516.00)	Sublease Samples Warehouse
Sublease	\$ 11,348.22	\$ 136,178.64	GF Adults
Morris & Gloria (retail location)	\$ 158,292.94	\$ 1,899,515.28	GBMI
Matteson Goleta Investors	\$ 8,074.00	\$ 96,888.00	GF Kids
Three West Carrillo Partners	\$ 13,848.11	\$ 166,189.32	GF Las Vegas
Chelsea Las Vegas	\$ 31,619.09	\$ 379,429.08	GF Santa Monica
Westside Properties 2, LLC	\$ 10,000.00	\$ 120,000.00	Goleta Warehouse Castilian
American Communications, LLC	\$ 17,590.76	\$ 211,089.12	GF Camarillo
Camarillo Outlet Center	\$ 19,317.22	\$ 231,806.64	GF Topanga rent started Oct 6 2006
Topanga	\$ 6,500.00	\$ 78,000.00	
China	\$ 1,583.00	\$ 18,750.00	
Taiwan	\$ 2,206.00	\$ 26,472.00	
India	\$ 6,200.00	\$ 74,400.00	
Europe	\$ 348,658.82	\$ 4,183,899.84	
Totals			

0.25 \$ 474,876.82 \$ 39,573.24

Retail	\$ 101,798.40	\$ 1,221,580.80
Savings forecasted		
Sublease 7FAM	\$ (5,000.00)	\$ (60,000.00)
Sublease Hollister - Other Efficiencies	\$ (39,573.24)	\$ (356,159.12)
25% of the building for 9 months.		
	\$ 304,085.59	\$ 3,767,740.73
Additional savings forecasted		
Relocated from Hollister Facility	\$ (33,333.33)	\$ (400,000.00)

## GBMI Forecast 2007

SK	2006 P	2007 P	Variance	2002	2003	2004	2005
Other R&D	54,167	75,000	20,833	68,484	49,278	87,371	110,273
Printing	65,453	50,000	(15,453)	72,948	172,270	99,386	99,361
Personnel/Recruiting/Education	423,759	100,000	(323,759)	536,410	895,890	534,148	395,735
Sales Commissions	130,239	150,000	19,761	N/A	N/A	N/A	132,994
Telephone	275,882	200,000	(75,882)	215,354	167,442	175,835	207,218
Utilities	143,334	100,000	(43,334)	58,092	176,703	201,902	171,615
Insurance	420,264	389,680	(30,584)	125,615	340,128	234,306	269,167
Legal & Accounting Fees	905,160	250,000	(655,160)	323,428	536,811	684,915	820,669
Consulting & Temporary Service	1,065,167	150,000	(915,167)	160,925	376,962	254,243	441,608
Supplies	345,669	200,000	(145,669)	126,867	268,141	336,315	389,966
Equipment Rental/Lease	336,348	200,000	(136,348)	169,028	142,681	277,331	228,208
Postage	182,700	180,000	(2,700)	77,735	237,366	228,670	337,515
Repairs & Maintenance	343,320	100,000	(243,320)	69,149	62,576	186,551	173,920
Dues & Subscriptions	140,483	100,000	(40,483)	8,213	38,218	88,763	78,977
Taxes & Licenses	169,390	120,000	(49,390)	261,137	410,635	725,398	790,531
Outside Services	882,986	600,000	(282,986)	18,520	240,000	240,000	247,444
AR Dilution Expense	222,476	210,000	(12,476)				
Other Offset	(700,000)	-	700,000				
Total*	5,406,797	3,404,680	(2,002,117)	2,430,144	4,395,138	4,700,874	5,243,269

5.1 for Other expenses was low estimate on Preso.

	Post Jan	Post Feb	Post Mar	Post Apr	Post May	Post Jun	Post Jul	Post Aug	Post Sep	Post Oct	Post Nov	Post Dec	Post 2007
<b>Headcount</b>													
<b>Total Net Revenue</b>	8,221,915	8,854,370	8,221,915	6,840,111	9,332,087	18,848,549	14,431,830	11,088,083	8,854,370	7,589,460	11,024,827	13,339,004	126,646,519
<b>Total COB</b>	5,631,043	6,068,528	5,631,043	4,888,014	6,393,942	12,918,249	9,891,138	7,399,451	6,068,528	5,301,596	7,254,897	9,142,166	86,799,852
<b>Total Gross Profit</b>	2,586,853	2,785,842	2,586,853	2,152,097	2,936,145	5,930,300	4,540,692	3,688,632	2,785,842	2,287,864	3,769,930	4,196,837	39,846,668
<b>Operating Expenses:</b>													
<i>Competition</i>	1,313,000	1,313,000	1,369,500	1,369,500	1,369,500	1,369,500	1,369,500	1,269,500	1,369,500	1,402,500	1,402,500	1,402,500	16,500,000
<i>Payroll Taxes</i>	82,500	82,500	82,500	82,500	82,500	82,500	82,500	82,500	82,500	82,500	82,500	82,500	990,000
<i>Rent</i>	128,176	128,176	128,176	128,176	128,176	128,176	128,176	128,176	128,176	128,176	128,176	128,176	1,538,117
<i>Depreciation &amp; Amortization</i>	304,251	304,251	304,251	304,251	304,251	304,251	304,251	304,251	304,251	304,251	304,251	304,251	3,651,016
<i>Travel &amp; Lodging</i>	214,892	214,892	214,892	214,892	214,892	214,892	214,892	214,892	214,892	214,892	214,892	214,892	2,581,708
<i>Donations</i>	230,000	230,000	230,000	230,000	230,000	230,000	230,000	230,000	230,000	230,000	230,000	230,000	2,760,000
<i>Advertising</i>	41,667	41,667	41,667	41,667	41,667	41,667	41,667	41,667	41,667	41,667	41,667	41,667	500,000
<i>Travel &amp; Lodging</i>	41,667	41,667	41,667	41,667	41,667	41,667	41,667	41,667	41,667	41,667	41,667	41,667	500,000
<i>Bank/Factor Fees</i>	38,000	38,000	38,000	38,000	38,000	38,000	38,000	38,000	38,000	38,000	38,000	38,000	456,000
<i>Other</i>	288,529	288,529	288,529	288,529	288,529	288,529	288,529	288,529	288,529	288,529	288,529	288,529	3,462,352
<i>Royalty Expense</i>	232,115	232,115	232,115	232,115	232,115	232,115	232,115	232,115	232,115	232,115	232,115	232,115	2,785,842
<i>Operating Expenses</i>	1,783,394	1,783,394	1,783,394	1,783,394	1,783,394	1,783,394	1,783,394	1,783,394	1,783,394	1,783,394	1,783,394	1,783,394	21,426,443
<b>Income from Continuing Operations</b>	(198,448)	(471,811)	(314,945)	(650,859)	(804,803)	2,662,889	1,519,276	135,516	(138,311)	(474,579)	134,860	581,169	1,969,978
<b>Interest Expense</b>	(94,914)	(102,215)	(94,914)	(78,953)	(107,730)	(317,583)	(186,601)	(138,003)	(102,215)	(87,615)	(171,271)	(151,986)	(1,462,009)
<b>Other Income (Expense)</b>	227,544	254,889	300,134	210,474	313,909	403,732	381,439	482,196	156,209	111,169	283,727	477,615	3,755,951
<b>NET INCOME before Taxes</b>	(393,359)	(574,026)	(409,825)	(729,821)	(912,623)	2,455,301	1,352,775	7,525	(240,526)	(562,191)	7,589	427,183	507,969
<b>Provision for Income Taxes</b>	(188,724)	(549,282)	(268,671)	(468,309)	(587,110)	1,366,581	870,269	4,841	(154,730)	(361,670)	4,842	274,816	326,787
<b>Net Income after Tax</b>	(104,635)	(204,743)	(146,156)	(260,512)	(325,513)	868,720	482,506	2,684	(395,256)	(923,861)	2,707	152,367	181,182
<b>EBITDA</b>	50,447	(216,919)	(80,055)	(395,946)	(550,001)	2,907,781	1,774,269	390,418	116,581	(219,686)	389,782	836,061	5,025,686

**Assumptions**

Other might based on a blended 35% headcount that not increase throughout the year

4% Salary increase over the year

Revenue Spread based on 2005 allocation

2 Major Trade Shows, and Com's 1 year

Interest Expense based on 1.9% of Net Revenue

Bank and Factor Fees based on .6% of Net Revenue

Royalties based on 10% and 1% of Revenue

## GBM1 2006 Income Statement

2K	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Revenue	4,111,412	4,591,731	5,075,519	5,560,519	6,045,519	6,530,519	7,015,519	7,500,519	7,985,519	8,470,519	8,955,519	9,440,519	103,748,130
Cost of Revenue	(1,878,527)	(2,041,527)	(2,204,527)	(2,367,527)	(2,530,527)	(2,693,527)	(2,856,527)	(3,019,527)	(3,182,527)	(3,345,527)	(3,508,527)	(3,671,527)	(38,748,130)
Gross Profit	2,232,885	2,550,204	2,870,992	3,192,992	3,510,000	3,837,000	4,159,000	4,481,000	4,803,000	5,125,000	5,447,000	5,769,000	65,000,000
Operating Expenses	(1,234,567)	(1,345,678)	(1,456,789)	(1,567,890)	(1,678,901)	(1,789,012)	(1,890,123)	(1,991,234)	(2,092,345)	(2,193,456)	(2,294,567)	(2,395,678)	(24,000,000)
Operating Income	998,318	1,204,526	1,414,203	1,625,102	1,831,099	2,048,000	2,268,877	2,489,655	2,710,655	2,931,544	3,152,433	3,373,322	41,000,000
Other Income	123,456	134,567	145,678	156,789	167,890	178,901	189,012	190,123	191,234	192,345	193,456	194,567	(2,000,000)
Income Before Tax	1,121,774	1,339,093	1,559,881	1,781,891	1,998,989	2,226,901	2,457,889	2,680,778	2,901,889	3,123,889	3,345,889	3,567,889	39,000,000
Income Tax Expense	(234,567)	(256,789)	(278,901)	(300,123)	(321,345)	(342,567)	(363,789)	(385,012)	(406,234)	(427,456)	(448,678)	(469,890)	(4,500,000)
Net Income	887,207	1,082,304	1,280,980	1,481,768	1,677,644	1,884,334	2,094,100	2,295,766	2,495,655	2,696,433	2,897,211	3,097,999	34,500,000
Other Income & Expense	123,456	134,567	145,678	156,789	167,890	178,901	189,012	190,123	191,234	192,345	193,456	194,567	(2,000,000)
Net Income After Tax	763,751	947,737	1,135,302	1,324,979	1,514,754	1,703,235	1,895,088	2,085,643	2,274,421	2,464,088	2,653,757	2,843,432	32,500,000
Provision for Doubt	(12,345)	(13,456)	(14,567)	(15,678)	(16,789)	(17,890)	(18,901)	(19,012)	(19,123)	(19,234)	(19,345)	(19,456)	(200,000)
Net Income After Provision	751,406	934,281	1,120,735	1,309,301	1,498,065	1,685,345	1,876,187	2,066,631	2,255,298	2,444,854	2,634,412	2,823,976	32,300,000

All figures are in US dollars and are subject to audit.

**Greystone Business Credit II LLC**

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**Exhibit C**

**CLOSING CHECKLIST**

**See Attached**



**GREYSTONE BUSINESS CREDIT II LLC**

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**GREYSTONE BUSINESS CREDIT II LLC**

**CLOSING CHECKLIST**

**Global Brand Marketing Inc.**

**\$25,000,000 Secured Loan**

**CLOSING DATE: December 4, 2006**

**LENDER:** GREYSTONE BUSINESS CREDIT II LLC ("GBC")  
152 West 57<sup>th</sup> Street, 60<sup>th</sup> Floor  
New York, New York 10019

**LENDER'S COUNSEL:** GOLDBERG, KOHN, BELL, BLACK,  
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Chicago, Illinois 60603  
Attn: Richard M. Kohn and William A. Starshak  
Telephone No.: (312) 201-4000  
Facsimile No.: (312) 332-2196

**BORROWER:** GLOBAL BRAND MARKETING INC. ("Borrower")  
6500 Hollister Avenue  
Santa Barbara, California 93117

**GUARANTOR:** KILLICK DATTA ("Datta")  
  
c/o GLOBAL BRAND MARKETING INC. ("Borrower")  
6500 Hollister Avenue  
Santa Barbara, California 93117

**BORROWER'S AND  
GUARANTOR'S  
COUNSEL:** FELL, MARKING, ABKIN, MONTGOMERY, GRANET &  
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MORRISON & FOERSTER LLP  
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Los Angeles, California 90013  
Attn: Kathryn I. Johnstone  
Telephone No.: (213) 892-5662  
Facsimile No.: (213) 892-5454

A. LOAN DOCUMENTS

1. Loan and Security Agreement
2. Note payable to GBC
3. Warrant for 10% of fully diluted equity of Borrower
4. Authorization to Pay Proceeds
5. Pre-Close Authorization to File UCCs
6. Guaranty - Datta
7. UCC Financing Statements (listed on Exhibit A)
8. Deposit Account Control Agreement - Bank of the West
9. Closing Certificate
10. Trademark Security Agreement
11. Patent Security Agreement
12. Landlord Consents
  - (a) 6500 Hollister Avenue, Santa Barbara, CA
  - (b) 165 Castilian Drive, Goleta, CA
13. Warehouse Agreements
  - (a) 15710 San Antonio, Chino, CA (FMI)
  - (b) 350-400 Westmont Drive, San Pedro, CA (Gilbert West)
14. Licensor Agreements re inventory liquidation
  - (a) Diesel S.p.A
  - (b) Diesel KID S.r.l.
  - (c) Seven for All Mankind
15. Items with respect to Insurance
  - (a) Certificates of casualty insurance covering equipment and real estate, showing GBC as certificate holder and loss payee (with GBC's loss payable clause attached to each certificate).

- (b) Certificates of insurance with respect to Borrower's liability insurance policies (including products liability insurance) showing GBC as certificate holder and additional insured
  - (c) Assignment of Business Interruption Insurance (to be sent certified mail to Chubb)
- 16. Certified copy of organizational documents
- 17. Certificate of Secretary for Borrower as to articles of incorporation, by-laws, incumbency of officers and directors and resolutions
- 18. Certificates of Good Standing
  - (a) California
  - (b) Nevada
  - (c) Alabama
  - (d) New Jersey
- 19. Subordinated, Last-Out Participation Agreement (Indeka)

B. Third Party Debt Documents

- 20. Copies of Promissory Notes (Datta), as amended
- 21. Subordination Agreement (Datta)
- 22. Factory Trade Payables Restructuring Agreement
  - (a) Irrevocable Instruction re Revolving Loan
- 23. Stock Purchase Agreements
- 24. Subordination Agreement (Global Hero)
- 25. Warrant representing 9.6% of common stock (Global Hero)
- 26. Certificate of Secretary for Global Hero as to articles of incorporation, by-laws, incumbency of officers and directors and resolutions

C. Equity Documents

- 27. Amended Articles of Incorporation
- 28. Warrant representing 29.4% of common shares

29. Investor Rights Agreement

D. Other Items

30. Pre-Closing Search Results

31. Proposal Letter - Greystone Commercial Service Agreements

32. Assignment Agreement -- Century Business Credit Corporation

33. Pay-Off Letter -- Century Business Credit Corporation

(a) UCC Termination Statement

(b) New UCC Filing

34. CIT -- Financing Statement Amendments

35. Diesel Agreements -- Supplier Payment Instructions

(a) Diesel S.p.A

(b) Diesel KID s.r.l.

36. Termination of Guaranty of Datta Indebtedness (Bank of America)

37. Opinions of Borrower's counsel (2)

38. Post-Closing Letter

E. Post-Closing Items:

39. Post-Closing Searches

40. Removal of Century Business Credit Corporation as Loss Payee on Property Insurance

41. Termination of Century Business Credit Corporation Factoring Agreement

42. Termination of CIT Factoring Agreement

**GREYSTONE BUSINESS CREDIT II LLC**

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**EXHIBIT A**

**UCC FINANCING STATEMENTS**

<b>Debtor Name</b>	<b>Collateral Description</b>	<b>Effective Date</b>	<b>UCC Number</b>
Global Brand Marketing Inc.	SOS - California	11/17/06	06-7092499410